

## **CITY OF ALAMEDA**

### **Memorandum**

To: Honorable Mayor and  
Members of the City Council

Honorable Chair and  
Members of the Community Improvement Commission

From: John A. Russo  
City Manager/Executive Director

Date: December 20, 2011

Re: Authorize Transmittal of the Community Improvement Commission's Annual Report to the State Controller's Office and the City Council; Authorize Transmittal of the Redevelopment Agency Annual Housing Activity Report and the Community Improvement Commission Annual Audit to the State Department of Housing and Community Development and the State Controller's Office; Accept the Annual Report; and Adopt a Resolution Making Certain Findings Regarding Administrative Expenses from Tax Increment Housing Funds

---

### **BACKGROUND**

State law requires the Community Improvement Commission of the City of Alameda (CIC) to submit an Annual Report to the City Council and file a copy of this report with the State Controller by December 31<sup>st</sup> of each year. State law also requires that the CIC submit the Redevelopment Agency Annual Housing Activity Report to the State Department of Housing and Community Development (HCD) and State Controller by December 31st of each year.

### **DISCUSSION**

The CIC's Annual Report is available for review in the City Clerk's Office. The CIC's annual report for FY10-11 includes the following:

- Independent Auditor's Report on financial statements;
- Independent Auditor's Report on legal compliance;
- Annual Report of Financial Transactions of Community Redevelopment Agencies (Fiscal Statement);
- Redevelopment Agency Annual Housing Activity Report;
- Housing Activities Report Summary;
- Blight Progress Report;
- Loan Report; and

CC/CIC  
Agenda Item #3-B  
12-20-11

Honorable Chair and  
Members of the Community Improvement Commission

- Property Report

The independent financial audit for FY10-11 has been prepared by Caporicci & Larson, Inc. The audit examines the CIC's compliance with State laws, regulations, and administrative requirements including CIC policies and procedures related to record keeping, public hearings, contracting for services, use of tax increment funds and indebtedness. According to the audit, the CIC was found to be in compliance with applicable laws, regulations and administrative requirements.

The fiscal statement within the Annual Report contains the information required by Health & Safety Code §33080.5, including the Housing Activities Report, describing CIC activities affecting housing and displacement; the Blight Progress Report, describing the CIC's progress to alleviate blight; the Loan Report, describing CIC loans in default or not in compliance; and the Property Report, describing CIC owned and acquired property. These reports are on file in the City Clerk's Office. The goals of the CIC's three redevelopment project areas and the 5-Year Implementation Plans are also on file in the City Clerk's Office.

As an additional action, State law requires the CIC to annually adopt a resolution stating that the incurred planning and administration expenditures from tax increment housing funds for the prior year are reasonable and necessary for the production, improvement or preservation of low- and moderate-income housing.

#### FINANCIAL IMPACT

There is no impact to the General Fund or the CIC's annual budget as a result of this action.

#### RECOMMENDATION

Authorize transmittal of the Community Improvement Commission's Annual Report to the State Controller's Office and the City Council; authorize transmittal of the Redevelopment Agency Annual Housing Activity Report to the State Department of Housing and Community Development and the State Controller's Office; accept the Annual Report; and adopt a resolution making certain findings regarding administrative expenses from tax increment housing funds.

Honorable Mayor and  
Members of the City Council

December 20, 2011  
Page 3 of 3

Honorable Chair and  
Members of the Community Improvement Commission

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Lori Taylor", written in dark ink.

Lori Taylor  
Community Development Director

LT:rr

Exhibits:

1. Community Improvement Commission Annual Report for FY10-11 (on file in the City Clerk's Office)
2. Goals of CIC project areas (on file in the City Clerk's Office)
3. 5-Year Implementation Plans (on file in the City Clerk's Office)

cc: Economic Development Commission

COMMISSION RESOLUTION NO. 11-\_\_\_\_\_

DETERMINING THAT THE PLANNING AND ADMINISTRATIVE EXPENSES IN FISCAL YEAR 2010-11 BY THE COMMISSION'S LOW/MODERATE INCOME HOUSING FUND WERE NECESSARY FOR THE PRODUCTION, IMPROVEMENT AND/OR PRESERVATION OF AFFORDABLE HOUSING FOR LOW AND MODERATE INCOME HOUSEHOLDS

Approved as to Form

General Counsel

WHEREAS, the Community Improvement Plan for the West End Community Improvement Project was adopted on June 28, 1983, by Ordinance No. 2141, as amended by Ordinance Nos. 2222, 2682, 2889, 2897, 2910 and 2970; and

WHEREAS, the Community Improvement Plan for the Alameda Point Improvement Project was adopted on June 18, 1991, by Ordinance No. 2559, as amended by Ordinance Nos. 2681, 2835, 2844, 2857, 2896, 2910, 2956, 2963 and 2999; and

WHEREAS, the Community Improvement Plan for the West End Community Improvement Project was adopted on March 3, 1998, by Ordinance No. 2754, as amended by Ordinance Nos. 2985 and 2910; and

WHEREAS, pursuant to Section 33334.2 (a) of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) ("CRL") not less than 20% of all taxes which are allocated to the Community Improvement Commission of the City of Alameda ("Commission") shall be set aside by the Commission in a Low/Moderate Housing Fund and used by the Commission for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing available at affordable housing costs to people and families of low and moderate income; and

WHEREAS, pursuant to Section 33334.3(d) of the CRL, it is the intent of the California State Legislature that the amount of money spent for planning and general administration from the Low/Moderate Housing Fund not be disproportionate to the amount actually spent for the cost of production; and

WHEREAS, Section 33334.3(e) of the CRL further provides that an agency shall determine annually that the planning and administrative expenses are necessary for the production, improvement, or preservation of low- and moderate-income housing.

NOW THEREFORE, THE COMMUNITY IMPROVEMENT COMMISSION OF THE CITY OF ALAMEDA DOES RESOLVE that it was necessary to spend \$423,497 of the total \$4,115,865 Low/Moderate Housing Fund expenditures for the planning and administrative expenses associated with the production, improvement and/or preservation of low and moderate housing during the 2010-11 fiscal year, and that the foregoing amount of planning and administrative expenses was not disproportionate to the amount actually spent for the costs of production, improvement or preservation of that housing.

\* \* \* \* \*

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Community Improvement Commission of the City of Alameda in a regular meeting of the Community Improvement Commission on the \_\_\_\_ day of December, 2011, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

---

Lara Weisiger, Secretary  
Community Improvement Commission

---

Marie Gilmore, Chair  
Community Improvement Commission